

N E W S R E L E A S E

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California's Unemployment Rate Declines to 5.1 Percent **Payroll Employment Up 29,900 Jobs**

SACRAMENTO – California's unemployment rate was 5.1 percent in July, down from 5.4 percent in June, the state Employment Development Department (EDD) reported today. This is the lowest unemployment rate since May 2001, when the rate was also 5.1 percent. A year ago, in July 2004, California's unemployment rate was 6.2 percent.

According to EDD's survey of employers, nonfarm payroll employment in California grew by 29,900 jobs over the month, for a total of 14,783,400.

According to the separate survey of households, the number of Californians holding jobs in July was 16,882,000, a record high for employment. This was an increase of 37,000 from June, and up 392,000 from the employment total in July of last year.

The number of people unemployed in California was 914,000 – a decrease of 52,000 over the month, and down by 172,000 compared with July of last year. This is the lowest number of unemployed in the state since June 2001 (910,000 unemployed).

Of the unemployed, 286,100 were laid off, 97,000 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, EDD reported that there were 339,487 people receiving regular unemployment insurance benefits during the July survey week. This compares with 339,483 last month and 401,118 last year. At the same time, new claims for unemployment insurance were 37,436 in July 2005, compared with 40,034 in June and 43,214 in July of last year.

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WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,783,400 in July, a net gain of 29,900 jobs since the June survey. This followed a gain of 16,600 jobs (as revised) in June.

Seven of the categories (**construction; manufacturing; trade, transportation and utilities; financial activities; professional and business services; leisure and hospitality; and government**) added jobs over the month, gaining 42,300 jobs. Trade, transportation and utilities showed the largest gain, up by 9,900 jobs. Four categories (**natural resources and mining; information; educational and health services; and other services**) reported job declines over the month, down 12,400 jobs. Educational and health services posted the largest decline over the month, down by 4,900 jobs.

In a year-over-year comparison (July 2004 to July 2005), nonfarm payroll employment in California increased by 189,700 jobs (up 1.3 percent).

Nine industry divisions (**construction; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government**) posted job gains over the year, adding 198,500 jobs. On both a numerical and growth basis, construction showed the strongest employment growth, adding 52,400 jobs (a 6.1 percent increase). Professional and business services recorded the second largest job gain, adding 38,600 jobs (a 1.8 percent increase).

Two categories (**natural resources and mining and manufacturing**) posted job declines over the year, down 8,800 jobs. Manufacturing recorded the largest decline over the year, down by 8,300 jobs (a decline of 0.5 percent).

WAGE AND SALARY EMPLOYMENT DETAIL (**NOT** SEASONALLY ADJUSTED)

Over the month, **construction** recorded the greatest non-seasonally adjusted gain, up by 15,900 jobs. Most of the gains were in the specialty trade contractors sector, which was up by 11,200 jobs. **Government** posted the largest loss over the month, down by 125,200 jobs. The losses were concentrated in state and local government education, which were down 19,000 and 113,000, respectively, reflecting the usual summer school recess.

Over the year, the **construction** industry reported the largest gains, up 57,200 jobs. The gains were concentrated in the specialty trade contractors sector, which was up by 37,000 jobs. **Manufacturing** recorded the largest decrease over the year, down by 3,600 jobs.

Seasonally adjusted payroll detail follows:

WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA
(Amounts in thousands)

| Industrial Classification | July 2005 (prelim.) | June 2005 | July 2004 | Change Over 12 months (Percent) |
|---|------------------------|-----------|-----------|---------------------------------------|
| Nonagricultural Wage and Salary Workers | 14,783.4 | 14,753.5 | 14,593.7 | 1.3 |
| Natural resources and mining | 22.5 | 22.7 | 23.0 | -2.2 |
| Construction | 909.5 | 899.9 | 857.1 | 6.1 |
| Manufacturing | 1,538.9 | 1,533.6 | 1,547.2 | -0.5 |
| Trade, transportation and utilities | 2,778.2 | 2,768.3 | 2,764.0 | 0.5 |
| Information | 490.5 | 494.8 | 477.4 | 2.7 |
| Financial activities | 920.6 | 917.2 | 907.0 | 1.5 |
| Professional and business services | 2,152.4 | 2,147.2 | 2,113.8 | 1.8 |
| Educational and health services | 1,583.0 | 1,587.9 | 1,564.2 | 1.2 |
| Leisure and hospitality | 1,480.4 | 1,475.7 | 1,444.8 | 2.5 |
| Other services | 510.7 | 513.7 | 504.0 | 1.3 |
| Government* | 2,396.7 | 2,392.5 | 2,391.2 | 0.2 |
| Agriculture | 367.8 | 334.6 | 371.8 | -1.1 |

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

| | July 2005 | June 2005 | May 2005 | July 2004 |
|---|------------|------------|------------|------------|
| Civilian labor force ^a | 17,796,000 | 17,811,000 | 17,784,000 | 17,576,000 |
| Total civilian employment | 16,882,000 | 16,845,000 | 16,835,000 | 16,490,000 |
| Unemployment | 914,000 | 966,000 | 949,000 | 1,086,000 |
| Seasonally adjusted rate % | 5.1 | 5.4 | 5.3 | 6.2 |
| US seasonally adjusted rate % | 5.0 | 5.0 | 5.1 | 5.5 |

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

| | July 2005 | June 2005 | May 2005 | July 2004 |
|---|------------|------------|------------|------------|
| Civilian labor force ^a | 17,943,000 | 17,847,000 | 17,707,000 | 17,668,000 |
| Total civilian employment | 16,971,000 | 16,876,000 | 16,824,000 | 16,515,000 |
| Unemployment | 972,000 | 971,000 | 883,000 | 1,153,000 |
| Unadjusted rate % | 5.4 | 5.4 | 5.0 | 6.5 |

^aLabor force by place of residence including workers involved in trade disputes.

MONTHLY LABOR FORCE DATA FOR COUNTIES
July 2005 (Preliminary); 2004 BENCHMARK
NOT SEASONALLY ADJUSTED

| COUNTY | LABOR FORCE | EMPLOYMENT | UNEMPLOYMENT | RATE |
|--------------------|-------------------|-------------------|----------------|-------------|
| STATE TOTAL | 17,942,900 | 16,971,400 | 971,500 | 5.4% |
| ALAMEDA | 767,100 | 726,800 | 40,400 | 5.3% |
| ALPINE | 470 | 430 | 40 | 9.0% |
| AMADOR | 17,700 | 16,830 | 870 | 4.9% |
| BUTTE | 98,900 | 92,400 | 6,500 | 6.6% |
| CALAVERAS | 20,320 | 19,130 | 1,190 | 5.9% |
| COLUSA | 9,790 | 8,860 | 940 | 9.6% |
| CONTRA COSTA | 518,800 | 493,700 | 25,100 | 4.8% |
| DEL NORTE | 10,950 | 10,150 | 810 | 7.4% |
| EL DORADO | 91,100 | 87,100 | 4,000 | 4.4% |
| FRESNO | 427,700 | 393,900 | 33,800 | 7.9% |
| GLENN | 12,060 | 11,060 | 1,000 | 8.3% |
| HUMBOLDT | 60,800 | 57,300 | 3,500 | 5.7% |
| IMPERIAL | 62,900 | 52,000 | 10,900 | 17.3% |
| INYO | 9,690 | 9,250 | 440 | 4.5% |
| KERN | 329,900 | 304,200 | 25,700 | 7.8% |
| KINGS | 56,000 | 51,400 | 4,700 | 8.3% |
| LAKE | 26,080 | 24,190 | 1,890 | 7.2% |
| LASSEN | 12,510 | 11,630 | 870 | 7.0% |
| LOS ANGELES | 4,907,400 | 4,627,100 | 280,300 | 5.7% |
| MADERA | 65,700 | 61,100 | 4,600 | 7.0% |
| MARIN | 132,100 | 127,000 | 5,100 | 3.9% |
| MARIPOSA | 9,520 | 9,040 | 480 | 5.1% |
| MENDOCINO | 44,120 | 41,730 | 2,380 | 5.4% |
| MERCED | 99,400 | 90,200 | 9,200 | 9.2% |
| MODOC | 4,110 | 3,850 | 260 | 6.3% |
| MONO | 8,150 | 7,720 | 430 | 5.2% |
| MONTEREY | 218,200 | 206,400 | 11,900 | 5.4% |
| NAPA | 73,500 | 70,500 | 3,000 | 4.0% |
| NEVADA | 50,190 | 47,930 | 2,270 | 4.5% |
| ORANGE | 1,632,600 | 1,569,400 | 63,200 | 3.9% |
| PLACER | 158,900 | 152,400 | 6,400 | 4.1% |
| PLUMAS | 11,270 | 10,620 | 650 | 5.8% |
| RIVERSIDE | 828,500 | 783,300 | 45,200 | 5.5% |
| SACRAMENTO | 681,700 | 648,400 | 33,300 | 4.9% |
| SAN BENITO | 25,100 | 23,500 | 1,600 | 6.2% |
| SAN BERNARDINO | 855,800 | 810,300 | 45,600 | 5.3% |
| SAN DIEGO | 1,529,600 | 1,463,000 | 66,500 | 4.4% |
| SAN FRANCISCO | 431,800 | 410,000 | 21,800 | 5.1% |
| SAN JOAQUIN | 291,500 | 270,300 | 21,200 | 7.3% |
| SAN LUIS OBISPO | 132,700 | 127,300 | 5,400 | 4.1% |
| SAN MATEO | 369,400 | 353,200 | 16,200 | 4.4% |
| SANTA BARBARA | 222,700 | 213,900 | 8,800 | 4.0% |
| SANTA CLARA | 837,000 | 791,200 | 45,800 | 5.5% |
| SANTA CRUZ | 149,100 | 141,400 | 7,700 | 5.1% |
| SHASTA | 85,000 | 79,400 | 5,600 | 6.6% |
| SIERRA | 1,660 | 1,550 | 110 | 6.7% |
| SISKIYOU | 19,450 | 18,000 | 1,450 | 7.5% |
| SOLANO | 214,300 | 202,500 | 11,800 | 5.5% |
| SONOMA | 258,000 | 246,500 | 11,500 | 4.5% |
| STANISLAUS | 236,300 | 218,100 | 18,200 | 7.7% |
| SUTTER | 42,000 | 38,500 | 3,500 | 8.4% |
| TEHAMA | 25,320 | 23,650 | 1,670 | 6.6% |
| TRINITY | 5,390 | 4,970 | 420 | 7.8% |
| TULARE | 181,700 | 165,500 | 16,300 | 8.9% |
| TUOLUMNE | 26,590 | 25,080 | 1,510 | 5.7% |
| VENTURA | 421,900 | 401,200 | 20,700 | 4.9% |
| YOLO | 95,500 | 90,800 | 4,700 | 4.9% |
| YUBA | 26,900 | 24,600 | 2,300 | 8.5% |